

Filed for intro on 02/05/2001  
SENATE BILL 535 By  
Cohen

HOUSE BILL 657  
By Kisber

AN ACT to amend Tennessee Code Annotated, Title 6, relative to  
municipal governments.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 6-56-304, is amended by deleting the numbers, symbols, and language "two thousand five hundred dollars (\$2,500)" wherever it appears and by substituting instead the numbers, symbols, and language "three thousand dollars (\$3,000)".

SECTION 2. Tennessee Code Annotated, Section 6-56-305, is amended by deleting that section in its entirety and by substituting instead the following language:

All purchases, leases, or lease-purchase arrangements with expenditures of less than three thousand dollars (\$3,000) but more than one thousand five hundred dollars (\$1,500) in any fiscal year may be made in the open market without public advertisement, but shall, whenever possible, be based upon at least three (3) competitive bids. Purchases, leases, or lease-purchases of one thousand five hundred dollars (\$1,500) or less in any fiscal year shall not require any public advertisement or competitive bidding.

SECTION 3. Tennessee Code Annotated, Section 6-56-306(a), is amended by deleting that subsection in its entirety and by substituting instead the following language:

Municipal governing bodies are specifically authorized to lower the dollar amounts required in this part for public advertisement and competitive bidding to an amount to be set by the municipal governing body. Municipal governing bodies may by ordinance increase the dollar amount required in this part for public advertisement and competitive bidding from three thousand dollars (\$3,000) to a maximum of ten thousand dollars (\$10,000). When the governing body does this, references in this part to three thousand dollars (\$3,000) shall be deemed a reference to the amount established by the municipal governing body in its ordinance.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.